

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

SHANGHAI FOSUN PHARMACEUTICAL
(GROUP) CO., LTD.,

Petitioner,

-against-

DR. JOHN HAJJAR, et al.,

Respondents.

1:22-cv-08269 (JLR)

ORDER

JENNIFER L. ROCHON, United States District Judge:

On June 22, 2023, Petitioner Shanghai Fosun Pharmaceutical (Group) Co., Ltd. submitted a letter alerting the Court that Respondent Dr. John Hajjar, MD (“Hajjar”) had filed Chapter 11 Bankruptcy on June 9, 2023, and this action was therefore automatically stayed as to Hajjar but not as to the remaining two Respondents, Sovereign Medical Services, Inc. (“SMS”) and Sovereign Capital Holdings, LLC (“SCH”). *See* ECF No. 39. The law firm Frier & Levitt, LLC, as counsel for Respondents, filed a response letter on June 30, 2023. ECF No. 41. On July 5, 2023, Petitioner submitted a second letter stating that Frier & Levitt, LLC was no longer “authorized to represent Hajjar” in this action because it had not obtained the appropriate authorization from the Bankruptcy Court. ECF No. 42. The following day, and apparently prepared before Petitioner’s July 5 letter was filed, the law firm Frier & Levitt, LLC filed a motion to withdraw as counsel of record for all Respondents, including Hajjar, SMS, and SCH. *See* ECF No. 43.

On July 17, 2023, the Court granted the motion for Frier & Levitt, LLC to withdraw as counsel of record, subject to the firm first serving the Court’s Order on Respondents and filing a letter with Respondents’ contact information. ECF No. 44. The Court also concluded that SMS

and SCH cannot proceed *pro se* as corporate entities, and therefore ordered SMS and SCH to retain replacement counsel and have counsel file a notice of appearance no later than August 14, 2023. *Id.* (citing *Lattanzio v. COMTA*, 481 F.3d 137, 140 (2d Cir. 2007)). No notice of appearance has been filed.

“[T]he power to stay proceedings is incidental to the power inherent in every court to control the disposition of the causes on its docket with economy of time and effort for itself, for counsel, and for litigants.” *Louis Vuitton Malletier S.A. v. LY USA, Inc.*, 676 F.3d 83, 96 (2d Cir. 2012) (internal citation omitted). A court may decide, *sua sponte* and in its discretion, “to stay civil proceedings when the interests of justice seem to require such action.” *Plaintiffs #1-21 v. Cnty. of Suffolk*, 138 F. Supp. 3d 264, 279 (E.D.N.Y. 2015) (internal citation omitted).

Here, the present action is already stayed at to Hajjar due to the pending Bankruptcy proceeding. Additionally, the corporate Respondents may not participate in this action at this time because they have not obtained counsel of record. *See Lattanzio*, 481 F.3d at 140. Therefore, the Court finds that it is in the interests of justice to stay this proceeding to allow SMS and SCH to obtain replacement counsel. *See, e.g., AMA Acquisitions Tr. v. Argent Mortg. Co., LLC*, No. 16-cv-00244 (MAD) (TWD), 2016 WL 6068147, at *3 (N.D.N.Y. Oct. 14, 2016) (*sua sponte* staying action to allow entity “to obtain counsel and have that counsel appear in this action”); *Frumusa v. U.S. Bankr. Ct., W. Dist. of New York*, No. 09-cv-06539 (CJS), 2010 WL 117759, at *1, 3 (W.D.N.Y. Jan. 8, 2010) (staying action to allow corporation to retain counsel); *LoPorto v. Cty. of Rensselaer*, No. 15-cv-00866 (LEK) (DJS), 2016 U.S. Dist. LEXIS 158297, at *9 (N.D.N.Y. Nov. 16, 2016) (continuing stay to allow party to obtain replacement counsel); *see also Iannaccone v. Law*, 142 F.3d 553, 556 (2d Cir. 1998) (noting that “[t]he district court judge stayed the action and *sua sponte* ordered [the] plaintiff [entity] to obtain counsel”).

Accordingly, the Clerk of Court is respectfully directed to mark the docket as STAYED.
IT IS FURTHER ORDERED that SMS and SCH shall obtain counsel and have counsel file a notice of appearance within the next **45 days**.

The Clerk of Court is also respectfully directed to mail this Order to Respondents at the following addresses:

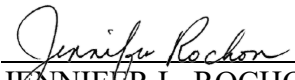
Sovereign Medical Services, Inc.
85 Harristown Road
Glen Rock, NJ 07452-3323
Attn: Dr. John Hajjar, M.D.

Sovereign Capital Holdings, LLC
85 Harristown Road
Glen Rock, NJ 07452-3323
Attn: Dr. John Hajjar, M.D.

John H. Hajjar, M.D.
90 Hoover Drive
Cresskill, NJ 07626

Dated: August 15, 2023
New York, New York

SO ORDERED.



JENNIFER L. ROCHON
United States District Judge